

[Insert title of invention]A System for Securities Exchange Direct Trading and Exchange Direct Shorting

Abstract

The present invention is a system the access is direct to the exchange and the broker is given the ability to trade only as an agent for the client. This system can also manage the process of shorting where the shorting is managed by the exchange instead of or for the broker. In the current case today, brokers borrow shares within firm or intra firm in order to "pool" shares which enables the shorting capability. In this system, the exchange knows where all the shares are for every issuer, so the exchange can enable the shorting pool which the client or the broker can draw from. This improves direct access for clients, visibility for regulators, reducing fraud, thereby reducing risk and increasing liquidity.